ON PAGE _____

NEW YORK TIMES 4 November 1985

REAGAN APPROVAL REPORTED ON PLAN TO WEAKEN LIBYA

By STEPHEN ENGELBERG

Special to The New York Times

WASHINGTON, Nov. 3 — President Reagan has approved a covert plan aimed at weakening the regime of the Libyan leader, Col. Muammar el-Qaddafi, according to Congressional sources and Administration officials.

An Administration official said today that disclosure of the plan today would not necessarily derail it.

"We went ahead with the world's most open covert operation against Nicaragua," the official said. "I would not assume that the opponents of this can kill it with leaks."

Called Somewhat Damaging

The official said disclosure was damaging, but added, "Qaddafi probably already assumes we're doing this." An account of the Central Intelligence Agency operation appeared in today's issue of The Washington Post.

Congressional sources said members of the House Intelligence Committee had questioned the plan, which was said to call for the <u>C.I.A.</u> to help countries opposing Colonel Qaddafi. It could not be learned whether the agency had begun to carry out the operation or which countries were expected to cooperate.

Investigation Ordered

The House committee was told about a month ago that Mr. Reagan had signed the formal document necessary to start a covert action, according to a House source. Last week the Administration sent Secretary of State George P. Shultz to brief the House committee and respond to the concerns raised by several members, the source said.

The chairman of the Senate Select Committee on Intelligence, Dave Durenberger, Republican of Minnesota, could not be reached for comment. A spokesman for the Senate committee would not say whether it shared the concerns raised by the House panel.

A White House spokesman said today that Mr. Reagan had ordered an investigation into the release of secret intelligence reports on Colonel Qaddafi that were quoted in The Post account.

Bill Hart, the spokesman, said he would not comment on "alleged intelligence activities" but added, "In general, the President is very concerned

over the unauthorized disclosure of intelligence and classified information."

Mr. Reagan 'is ordering an investigation of the disclosure of the United States intelligence documents cited in this news report in an effort to determine who is responsible for such disclosures and to take appropriate action," Mr. Hart said.

Representative Dave McCurdy, Democrat of Oklahoma, said today that he expected the House panel to conduct its own investigation of how the information was disseminated.

While refusing to confirm or deny the existence of a <u>C.I.A.</u> Libya operation, Mr. McCurdy said of the reports: "I'm really appailed. I'm just telling you that there is an apparent breach of security here, and I think staff and members of Congress will be under close scrutiny on this one. This is a serious one."

The Administration is required by law to report to the House and Senate Intelligence committees on all significant intelligence activities.

Covert operations for overthrowing the government of a country are permitted by law. An executive order issued by Mr. Reagan bars the C.I.A. from sponsoring assassinations.

Committees Lack Veto Power

The committees lack formal veto power-over plans for covert action, but they can register objections and withhold money. In 1983 the Administration dropped a plan calling for the over-throw of the Government of Suriname, a former Dutch colony in South America, in the face of Congressional objec-

tions.

More recently, the Administration continued to provide covert aid to the rebels in Nicaragua, even though the C.I.A.'s involvement in the secret operation was disclosed by news accounts and assailed by members of the House and Senate.

Since the time Mr. Reagan took office, members of his Administration have been engaged in diplomatic maneuvers aimed at isolating Libya.

The President and other officials have openly expressed their distaste for the Qaddafi regime. Secretary of State Shultz was reported to have told his staff last year that "we have to put Qaddafi in a box and close the lid."

Said to Sponsor Terrorism

Admininstration officials contend that Libya is one of the chief sponsors of an international terrorist network that has attacked American and Western targets throughout the world.

The Administration expelled all Libyan diplomats from the United States in 1981, advised American companies and personnel to leave Libya and barred American importation of Libya's oil. There have been no American diplomats in Libya since 1980, when the embassy was burned down.

There have been several attempts to overthrow Colonel Qaddafi. Some have come close to succeeding, according to a former member of the Senate Intelligence Committee.

In May, the Libyan leader crushed an attempted coup. At least 2,000 Libyans were arrested afterward.

Declassified and Approved For Release 2012/02/21 : CIA-RDP90-00965R000201840016-3